



(D. P. Denton)

WM. FRED DENTON, PRESIDENT AND CEO

2005 SEP 12 AM 10:33

September 7, 2005

Director Johns F. Carter
FDIC San Francisco Regional Office
25 Jessie Street at Ecker Square, Suite 2300
San Francisco, CA 94105

Re: Wal-Mart's Application for Deposit Insurance for its Utah Based ILC


Dear Mr. Carter:

This letter is to inform you that I, as a small community banker in Southeast Arkansas, am strenuously objecting to Wal-Mart's application for deposit insurance. Set forth below are a few of the reasons I am objecting:

1. Foremost, the future of the community banking industry may be at stake if Wal-Mart is successful with their application. Wal-Mart has a history of destabilizing communities. With its vast resources, it could drive out community banks like it has driven out community grocery stores, pharmacies and hardware stores. In our community with a population of less than 5,000, Wal-Mart has been successful in driving out approximately 90% of the individually owned "Mom and Pop" businesses. **Please do not allow them to add community banks to the deceased list.**
2. The systemic risk posed by a Wal-Mart bank would be enormous. Wal-Mart already controls 8% of the non-restaurant, non-automotive sales in the United States. With a branch of Wal-Mart Bank in every store, it would represent a dangerous and unprecedented concentration of economic power.
3. Mixing banking and commerce is bad public policy that would jeopardize the impartial allocation of credit and create conflicts of interest. Congress reaffirmed its opposition to the mixing of banking and commerce in the Gramm-Leach-Bliley Act.

Your thoughtful and careful consideration of my request will be greatly appreciated.

Sincerely,


Fred Denton

P.S. MR. CARTER - They
MIGHT EVEN WANT TO TAKE
OVER THE FDIC -

First National Bank of McGehee